GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3593
ANSWERED ON:27.04.2007
COLLECTION OF CST
Kaushal Shri Raghuvir Singh

Will the Minister of FINANCE be pleased to state:

(a) the amount of Central Sales Tax (CST) collected by the Union Government during each of the last three years; and

(b) the amount allocated to each State during the same period?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) : The Central Sales Tax (CST) is levied by the Centre, but collected and appropriated entirely by the States in which the tax is leviable, as per provisions of the Constitution. As per information furnished by the States, the total CST collection was about Rs.12,777 crores during 2003-04, Rs.15,301 crores during 2004-05 and Rs.18,015 crores during 2005-06.

(b):As per provisions of the Constitution, the CST is collected and appropriated by the State in which the tax is leviable. The tax proceeds do not come to the Consolidated Fund of India. Hence, there is no question of the Central Government allocating CST proceeds to the States.